



ANDREW M. BATEMAN
Chief Legal Officer

Office of Regulatory Staff
1401 Main Street
Suite 900
Columbia, SC 29201
(803) 737-0800
ORS.SC.GOV

May 13, 2022

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Application of Duke Energy Progress, LLC for Approval of the Transfer and Sale of
Property in Asheville, North Carolina
Docket No. 2022-164-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff (“ORS”) hereby notifies the Public Service Commission of South Carolina (“Commission”) that ORS has reviewed the filing submitted by Duke Energy Progress, LLC (“DEP” or the “Company”) in the aforementioned docket for approval of the transfer and sale of certain real estate (“Application”) known as the Hill Street, Asheville, North Carolina property (the “Property”).

South Carolina Code Ann. § 58-27-1300 requires DEP to obtain approval from the Commission when the Company seeks to “sell, assign, transfer, lease, consolidate, or merge its utility property” with a fair market value in excess of \$1,000,000.

According to the Application, the Property consists of certain real estate that is not required for the Company’s current utility operations and was determined to be a surplus. The Property consists of several parcels of land totaling 15.620 acres and is located off Hill Street in Buncombe County, North Carolina. The Property consists of forty-three (43) separate but adjoining lots and was acquired by the Company in December 2014. The Company has entered into a contract to sell the Property to BSMART Development LLC, (“BSMART”), which is not affiliated with the Company in any way, for \$6,500,000. The Application states that the Property has an appraised value of \$6,010,000 and a current net book value of \$5,301,322. The Property is zoned as UV – Urban Village District and RM-8 – Residential Multi-Family Medium Density District, by the city of Asheville.

According to the Application, the original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of DEP under Account 101, “Electric Plant in Service.” The difference between the sales price and the original cost of the non-depreciable Property will be applied to Account 421.10, “Gain on Disposition of Property.”

ORS reviewed the Company’s Application, Company provided Property appraisals, South Carolina Code Ann. § 58-27-1300, and prior filings by the Company regarding the sale of property. ORS understands that this request will not involve a change to any of DEP’s retail rates or prices, require any change in any Commission rule, regulation, or policy, and the transaction will not affect the Company’s ability to provide reliable service to its customers. ORS does not object to the Company’s request for approval to sell the Property.

Sincerely,



Andrew M. Bateman

cc: All Parties of Record (via e-mail)
C. Jo Anne Wessinger Hill, Esquire (via e-mail)
David Butler, Esquire (via e-mail)